

ARTICLE APPEARED
ON PAGE A7THE BALTIMORE SUN
6 April 1982

Reagan fires Calif. U.S. attorney for identifying CIA source

Washington (AP)—President Reagan yesterday fired a U.S. attorney in California who had publicly identified a key intelligence source in Mexico and Central America.

William H. Kennedy, the U.S. attorney in San Diego, was dismissed after "he was given an opportunity to resign and refused," said Arthur Brill, a Justice Department spokesman.

In San Diego, Mr. Kennedy released a statement through his secretary.

"The statement attributed to me in the *San Diego Union* article dated March 26, 1982, was an accurate confirmation. There is nothing more to add or apologize for," Mr. Kennedy said. "I will comply with the president's order."

The firing was announced at the Justice Department last night, hours after Mr. Kennedy was called and told of the decision by White House Personnel Director E. Pendleton James.

Justice Department sources had said that they preferred to have Mr. Kennedy resign rather than be fired to avoid what might be viewed as official U.S. government confirmation of his identification of the Central Intelligence Agency source.

In any case, they said, any announcement would be handled at the Justice Department rather than the White House to minimize the embarrassment to President Reagan, who nominated Mr. Kennedy to the job last November.

Almost two weeks ago, Mr. Kennedy confirmed to the *San Diego news-*

paper that CIA and Justice officials had been blocking an indictment since last November of a CIA source, Miguel Nassar Haro, former head of Mexico's federal security agency.

Sources said that Mr. Nassar had been implicated in a theft ring that stole \$8.4 million worth of cars in southern California and smuggled them into Mexico.

The Justice Department has strict rules against disclosing grand jury information.

Moreover, the incident has been particularly sensitive for the Reagan administration since a stream of its officials have testified in Congress that foreign sources for the CIA are drying up because the United States is perceived as being unable to keep intelligence secrets.

The administration used that argument to support proposed amendments restricting the Freedom of Information Act and on behalf of a major legislative campaign to make it a felony for officials or citizens to disclose the identities of U.S. intelligence agents.

Both the House and Senate have passed agent-identity bills, but a conference committee still has to iron out minor differences between the two.

Congressional and Justice Department sources have said that had the bill been law, Mr. Kennedy might have been liable to prosecution and up to 10 years in prison.

The Justice Department announcement carefully avoided confirming details of the Kennedy affair.